REMARKS

This is a complete and timely response to the Final Office Action mailed August 30, 2006. Upon entry of the foregoing amendments, claims 1-22 are pending in the application. Claims 1, 9 and 17 have been amended. The subject matter of amended claims 1, 9 and 17 can be found in the originally filed specification in at least FIG. 10 and the detailed description at paragraph 66. Consequently, no new matter is added to the present application.

In light of the foregoing amendments and following remarks, Applicants request reconsideration of the application and pending claims.

Claim Rejections Under 35 USC § 103 – Claims 1-22

A. Statement of the Rejections

Claims 1-22 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent Application Publication No. 2005/0002032 to Wijntjes *et al.*, hereafter *Wijntjes* in view of U.S. Patent No. 5,235,177 to Hutchinson *et al.*, hereafter *Hutchinson*.

B. Discussion of the Rejections

For a claim to be properly rejected under 35 U.S.C. § 103, "[t]he PTO has the burden under section 103 to establish a *prima facie* case of obviousness. In order to make a proper *prima facie* case of obviousness; three basic criteria must be met, as set forth in MPEP § 706.02(j). First, there must be some suggestion or motivation; either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art references, when combined, must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on Applicant's disclosure.

Applicants' independent claims 1, 9 and 17, as amended, each recite at least one feature that is not disclosed, taught or suggested by the proposed combination.

Applicants' independent claim 1, as amended, includes at least "a movable polarizing code element comprising a first concentric code, a second concentric code and a set of quadrants, the first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element." At least this element is not disclosed, taught or suggested by the proposed combination.

In contrast with Applicants' claimed polaroid encoder system, *Wijntjes* shows a 2-bit encoder wheel (FIG. 14) with a code segment 752 and code segment 754 separated from one another by black background 750 (See *Wijntjes*, paragraph 105) Code segments that are separated from one another, such as those taught by *Wijntjes*, do not disclose, teach or suggest first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element, as claimed by the Applicants.

Also in contrast with Applicants' claimed polaroid encoder system, *Hutchinson* shows a 2-bit encoded disc 12 (FIG. 4) with code segments separated from each other by a guard band 17a. Code segments that are separated by a guard band, such as those taught by *Hutchinson*, do not disclose, teach or suggest Applicants' claimed first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element.

The proposed combination does not lead one of ordinary skill to produce Applicants' claimed system for at least the reason that both *Wijntjes* and *Hutchinson* teach away from Applicants' claimed movable polarizing code element in which first and second code segments are in contact with one another over one of the quadrants of the movable polarizing code element. As shown above, both *Wijntjes* and *Hutchinson* teach the use of code segments that are separate from one another, whereas Applicants' claimed system does not require separation or guard bands to identify a quadrant of the movable polarizing code element.

Thus, the proposed combination fails to disclose, teach or suggest Applicants' claimed system, which includes at least "a movable polarizing code element comprising a first concentric code, a second concentric code and a set of quadrants, the first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element." As a result, the proposed combination fails to establish a *prima facie* case of obviousness with respect to

Applicants' amended claim 1. Consequently, Applicants' claim 1 is allowable over the proposed combination and the rejection of claim 1 under 35 U.S.C. § 103(a) should be withdrawn.

For at least the reason that claims 2-8 depend directly or indirectly from claim 1 and include all the features of independent claim 1, the rejection of claims 2-8 under 35 U.S.C. § 103(a) should also be withdrawn. *In re Fine,* 837 F.2d 1071, 5 USPQ 2d 1596, 1598 (Fed. Cir. 1998).

Applicants' independent claim 9, as amended, includes at least "illuminating said movable polarizing code element comprising a first concentric code, a second concentric code and a set of quadrants, the first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element." At least this step is not disclosed, taught or suggested by the proposed combination.

In contrast with Applicants' claimed method and as described above, *Wijntjes* shows a 2-bit encoder wheel (FIG. 14) with code segment 752 and code segment 754 separated from one another on the surface of polarizer 114a. Code segments that are separated from one another, such as those taught by *Wijntjes*, do not disclose, teach or suggest first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element, as claimed by the Applicants.

Also in contrast with Applicants' claimed method and further described above, *Hutchinson* shows a 2-bit encoded disc 12 (FIG. 4) with code segments separated from one another by a guard band 17a. Code segments that are separated by a guard band, such as those taught by *Hutchinson*, do not disclose, teach or suggest Applicants' claimed first and second concentric codes adjacent one another over one of the quadrants of said movable polarizing code element.

The proposed combination does not lead one of ordinary skill to produce Applicants' claimed system for at least the reason that both *Wijntjes* and *Hutchinson* teach away from Applicants' claimed movable polarizing code element in which first and second code segments are in contact with one another over one of the quadrants of the movable polarizing code element. As shown above, both *Wijntjes* and *Hutchinson* teach the use of code segments that are separate from one another, whereas Applicants' claimed system does not require separation or guard bands to identify a quadrant of the movable polarizing code element.

Thus, the proposed combination fails to disclose, teach or suggest Applicants' claimed method which includes at least "illuminating said movable polarizing code element comprising a first concentric code, a second concentric code and a set of quadrants, the first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code." As a result, the proposed combination fails to establish a *prima facie* case of obviousness with respect to Applicants' amended claim 9. Consequently, Applicants' claim 9 is allowable over the proposed combination and the rejection of claim 9 under 35 U.S.C. § 103(a) should be withdrawn.

For at least the reason that claims 11-16 depend directly or indirectly from claim 9 and include all the features of independent claim 9, the rejection of claims 11-16 under 35 U.S.C. § 103(a) should also be withdrawn. *See In re Fine, supra.*

Applicants' independent claim 17, as amended, includes at least "means for illuminating said movable polarizing code element comprising a first concentric code, a second concentric code and a set of quadrants, the first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element." At least this element is not disclosed, taught or suggested by the proposed combination.

In contrast with Applicants' claimed method and as described above, *Wijntjes* shows a 2-bit encoder wheel (FIG. 14) with code segment 752 and code segment 754 separated from one another on the surface of polarizer 114a. Code segments that are separated from one another, such as those taught by *Wijntjes*, do not disclose, teach or suggest first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element, as claimed by the Applicants.

Also in contrast with Applicants' claimed method and further described above, *Hutchinson* shows a 2-bit encoded disc 12 (FIG. 4) with code segments separated from one another by a guard band 17a. Code segments that are separated by a guard band, such as those taught by *Hutchinson*, do not disclose, teach or suggest Applicants' claimed first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element.

The proposed combination does not lead one of ordinary skill to produce Applicants' claimed system for at least the reason that both *Wijntjes* and *Hutchinson*

teach away from Applicants' claimed movable polarizing code element in which first and second code segments are in contact with one another over one of the quadrants of the movable polarizing code element. As shown above, both *Wijntjes* and *Hutchinson* teach the use of code segments that are separate from one another, whereas Applicants' claimed system does not require separation or guard bands to identify a quadrant of the movable polarizing code element.

Thus, the proposed combination fails to disclose, teach or suggest Applicants' claimed system which includes at least "means for illuminating said movable polarizing code element comprising a first concentric code, a second concentric code and a set of quadrants, the first and second concentric codes in contact with one another over one of the quadrants of said movable polarizing code element." As a result, the proposed combination fails to establish a *prima facie* case of obviousness with respect to Applicants' amended claim 17. Consequently, Applicants' claim 17 is allowable over the proposed combination and the rejection of claim 17 under 35 U.S.C. § 103(a) should be withdrawn.

For at least the reason that claims 18-22 depend directly or indirectly from claim 17 and include all the features of independent claim 17, the rejection of claims 18-22 under 35 U.S.C. § 103(a) should also be withdrawn. *See In re Fine, supra.*

CONCLUSION

For at least the reasons set forth above, Applicants respectfully submit that pending claims 1-22 are allowable over the cited art of record and the present application is in condition for allowance. Accordingly, a Notice of Allowance is respectfully solicited. Should the Examiner have any comments regarding the Applicants' response, Applicants request that the Examiner telephone Applicants' undersigned attorney.

Respectfully submitted,

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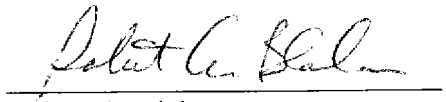
By: 

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